



Lloyd Hara
King County Assessor

News Release

Date: February 13, 2012

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Property taxes down for some in 2012

**Small Aggregate tax increase in King County
Property Value Decline same as last year**

King County residents can expect to receive their 2012 property tax bills during the week of February 13. While the total aggregate property tax collection in King County is up 1.71 percent in 2012 over 2011, some King County property owners will see a drop in their property tax bill that coincides with a drop in their property valuation.

Whether an individual's tax bill has increased or is down from the previous year is largely dependent on their location. The total value of property in King County continued to decline for the 2012 tax roll, but the drop is slightly less than the previous year.

"Bank foreclosures and other distressed sales continue to be a drag on property values overall in King County," said King County Assessor Lloyd Hara. "This is driving property values down through most of King County, and is resulting in property tax reductions for some."

Notable changes of property values and tax bills in King County include:

- **Rural Southeast King County** – The median assessed value declined from \$304,000 for the 2011 tax roll to \$259,000 for the 2012 tax roll. This resulted in a decrease in the tax bill of \$470.
- **Kirkland** – The median assessed value declined from \$425,000 for the 2011 tax roll to \$346,000 for the 2012 tax roll. This resulted in a decrease in the tax bill of \$459.
- **Burien** -- The median assessed value declined from \$238,000 for the 2011 tax roll to \$205,000 for the 2012 tax roll. This resulted in a decrease in the tax bill of \$259.

For the first time since 1997, the statutory property tax limit was exceeded in several areas of King County, resulting in pro-rationing and reductions in tax collections for a number of taxing districts. Pro-rationing factors for 2012 include:

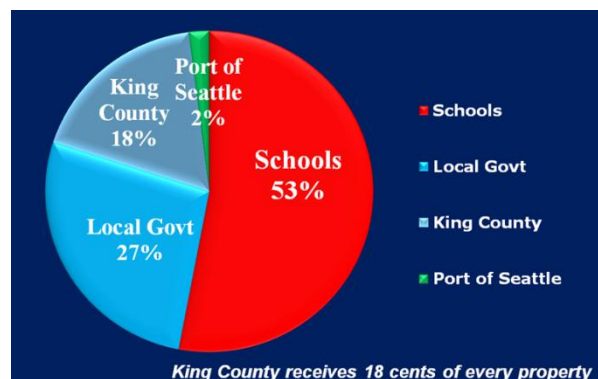
- Of 27 fire districts within King County, only seven did not reach their statutory maximum rate for the 2012 tax year. Of the 20 reaching their statutory maximum rate, six protected up to \$.25 of their levy, thereby receiving their allowable levy at the maximum rate.
- Valley General Hospital District #1 lost almost ten cents of its levy, a loss of \$3.3 million in tax collections.

- Snoqualmie Hospital District #4 lost 11 cents of its levy, resulting in a loss of \$69,572 in tax collections.
- Si View Metropolitan Park District placed two measures on the November 2011 ballot to guard against pro-rationing. Both measures passed and instead of a loss of \$1.2 million in tax collections, the loss was only \$204,871.
- Fall City Metropolitan Park District will not have a levy for the 2012 tax year due to pro-rationing, for a loss of \$109,282.
- King County Flood Control Zone District protected up to \$.25 of its levy, thereby receiving the full amount for 2012.

Washington State operates under a "budget-based" property tax system in which taxing districts, such as fire, library and school districts, submit their annual adopted budgets to the assessor who has the responsibility to determine the taxing rate that is necessary to meet the adopted budgets. The rates are based on the value of residential, commercial, and personal property in each county. The assessors are responsible for establishing these property values.

In King County, Treasury Operations, not the Assessor, collects the property taxes on behalf of the state, cities and taxing districts, and then distributes the revenue to the correct agencies. Under this model, residents only need to make property tax payments to a single location to support the services they receive at all levels of government.

About 53 percent of property tax revenue collected in King County goes to support schools. Cities and other local governments, such as fire districts and hospital districts, receive 27 percent of the property tax collection (there are 163 local taxing districts in King County). King County government receives approximately 18 percent, and the Port of Seattle receives 2 percent:



Property taxes are levied against assessed property valuations established the previous year. For example, the property tax bill for 2012 is based on values that were established as of January 1, 2011 (July 31, 2011 for remodels and new construction). Property values for 2012 are being established by King County Assessor's Office appraisers right now and throughout this year, and will be used for the 2013 property tax bills.

"I have directed my staff to continue to take a reasonable and conservative approach to property valuations in recognition of the impact of foreclosures and other distressed sales," Hara continued. "Our goal is always to make sure property valuations are fair and equitable."

Total property tax collections for all purposes in King County will total \$3.6 billion in 2012, up 1.71 percent from \$3.54 Billion in 2011. Total property tax collections increased countywide by 3.33 percent in 2011, 1.18 percent in 2010, and 6.16 percent in 2009. A primary factor in these annual variations is the difference in voter-approved measures from year to year.

The portion of the property tax collected that is not affected by voter levies increased in 2012 over 2011 by 1.13 percent -- \$2.069 Billion in 2012 compared to \$2.046 Billion in 2011. This is due to the ability of fire districts and the King County Flood Zone to protect up to \$.25 of their levy from pro-ratoning per state law. Non-voted property tax collections are for the State, the King County General Fund, fire districts, and the incorporated cities, for example.

Voter-approved property tax collections -- primarily school district levies -- were down by 0.72 percent in 2012 over 2011 -- \$1.485 Billion in 2012 compared to \$1.495 Billion in 2011. New construction accounted for \$2.44 Billion in new property valuation.

Property values declined in almost every area in King County in 2011. Only two areas saw increases -- the Wallingford (+2.4%) and Phinney Ridge (+.5%) neighborhoods of Seattle. Three other areas stayed the same -- Medina/Hunts Point/Clyde Hill, Seattle's Queen Anne neighborhood, and Eastern rural King County. Areas experiencing the largest declines were Burien, with a 17.3 percent drop, Woodmont/Redondo area of Federal Way (16.7 % drop), and Algona/Pacific (16.1 % drop).

The total assessed value of property in King County was down 3.32 percent in 2011, a slightly smaller decrease than in 2010 when total assessed values declined 3.38 percent. In 2009, total assessed values dropped 11.61 percent. The total assessed value of property in King County is \$319.5 billion for 2012 taxing purposes (2011 assessment), down from \$330.4 Billion for 2011 taxing purposes (2010 assessment), and \$342 Billion for 2010 taxing purposes (2009 assessment).

Residential and commercial property in King County is assessed each year at its fair market value. For residential parcels, fair market value is determined by analyzing recent sales of comparable properties in the same area.

Each year, the King County Assessor sends every King County property owner an official Property Value Notice showing the total assessed property values for the current year and the previous year, with separate values shown for land and improvements. Your property tax bill will also include special county-wide fees that are not part of your assessed property value and taxes. These include fees for surface water management, noxious weeds, the King Conservation District and others.

Homeowners who do not pay their property taxes through a mortgage lender can pay quickly and easily online at www.kingcounty.gov/propertytax. Residents can also pay using check, cash, or by credit card in person at King County Treasury Operations, Room 600, 500 Fourth Ave., Seattle.

Payments by check only may be made in person at a convenient Community Service Center location:

- Blackriver Community Service Center
- Cottage Lake Community Service Center
- Covington Community Service Center
- Northshore Community Service Center
- Sammamish Community Service Center
- Vashon Maury Island Community Service Center

Hours and details for Community Service Centers can be found online at www.kingcounty.gov/csc.

To avoid interest and penalties, first half taxes must be paid or postmarked by Monday, April 30. Second half taxes must be paid or postmarked by Wednesday, Oct. 31.

Property tax relief programs in King County include:

- Senior Citizens. Call 206-296-3920.
- Disabled Persons. Call 206-296-3920.
- Current use reduction for Farm and Agriculture or Forest land. Call 206-296-3969.
- Current use reduction for Open Space or Timber. Call 206-205-5170.
- Remodeling/home improvement exemption. Call 206-205-0656.
- Destroyed property reduction. Call 206-205-9212.
- Deferral of Taxes. Call 206-296-3920.

The number for the King County Assessor is 206-296-7300. For assistance with tax matters, contact the King County Tax Advisor at 206-263-9700. For questions about your property tax billing statement, contact Treasury Operations at 206-296-0923.

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